Exposure Draft on the Insurance Regulatory and Development Authority of India (Subsidiary Instructions and Consultative Committees) Regulations, 2026.

Date: 03.11.2026

1. Executive Summary

The Insurance Regulatory and Development Authority of India (IRDAI) proposes to issue the IRDAI (Subsidiary Instructions and Consultative Committees) Regulations, 2026 ("herein after referred to as ' the proposed Regulations") in light of the framework introduced under the Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025 ("herein after referred to as SBSR Act").

Section 114B of the Insurance Act, 1938 as inserted by the SBSR Act has introduced provisions relating to the manner and conditions for issuance of Subsidiary Instructions after consulting the Consultative Committees. Further, section 114C of the Insurance Act empowers the Authority to specify the manner of constitution of Consultative Committees.

IRDAI vide Exposure draft dated 17.06.2026 had issued draft IRDAI (Procedure for making Regulations and Subsidiary Instructions) Regulations, 2026. It is now proposed that the framework governing the issuance of subsidiary instructions under the Insurance Act, 1938 be specified through a separate regulation. A separate regulatory framework would clearly delineate the scope and limits of the power under section 114B. It would also enable the Authority to specify specific safeguards governing the procedure for clarification of ambiguity, the nature of permissible procedural requirements, consultation with the concerned Consultative Committee, the circumstances in which consultation may be dispensed with on account of urgency, publication, review and withdrawal of subsidiary instructions.

The proposed Regulations seek to operationalize these statutory provisions and establish a structured, and consultative framework for issuance of subsidiary instructions and constitution of Consultative Committees.

The proposed Regulations, inter alia, provide for:

- Framework governing issuance of subsidiary instructions;
- Constitution, composition and functioning of Consultative Committees;
- Periodic review of subsidiary instructions;
- Procedure for amendment of subsidiary instructions; and
- Framework for urgent subsidiary instructions.

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2. Key Features of the proposed Regulations:

2.1 Framework for Subsidiary Instructions:

The SBSR Act recognises subsidiary instructions as a distinct regulatory instrument. The proposed Regulations specify the scope and nature of subsidiary instructions that may be issued for:

- Clarification of ambiguities in regulations; and
- Procedural matters ancillary to regulations.

The proposed regulations provide for the scope of 'identification of ambiguity' and 'procedural requirement' contemplated in section 114B of the Insurance Act, 1938.

2.2 Constitution of Consultative Committees:

For the specific purpose of Sections 114B and 114C of the Insurance Act,1938, the proposed Regulations provide for constitution of Consultative Committees to provide advice on matters relating to subsidiary instructions and such other matters as may be referred by IRDAI.

2.3 Amendment and Review Framework:

The proposed Regulations provide for review of the subsidiary instructions on specified grounds and require amendments to the subsidiary instructions.

2.4 Urgent Subsidiary Instructions:

The proposed regulations recognise issuance of Urgent Subsidiary Instructions considering the urgency where prior consultation with the concerned Consultative Committee is not practicable.

The framework requires recording of reasons for such action, thereby balancing regulatory responses to certain exigencies with accountability.

2.5 Subject matters for which Consultative Committees shall be constituted:

The proposed regulations list out the subject matter for which Consultative Committees shall be constituted, including Policyholder Protection, Sectoral development, Market conduct, Financial Stability and Health of regulated entities, Insurance and insurance related services, Insurance distribution and allied activities, Reinsurance and such other matters as deemed necessary.

2.6 Conduct of meeting and terms of office of Consultative Committee

The proposed regulations provide for the procedure and manner of conduct of meetings of the Consultative Committee including the quorum.

Stakeholder Feedback: The Authority invites comments from stakeholders on the proposed amendments. Exposure draft of the Regulation is as per **Annexure 1**. Stakeholders may submit their comments on the Exposure Draft in the format specified in **Annexure 2**. Feedback may be submitted to Ms. Anjaly Jolly at anjaly.jolly@irdai.gov.in and Mr. Aaryaveer Chauhan at aaryaveer.chauhan@irdai.gov.in on or before 23rd November, 2026.

This Consultation Paper is issued for public and stakeholders comments.